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中软国际

CHINASOFT INTERNATIONAL LIMITED

中軟國際有限公司*

(incorporated in the Cayman Islands with limited liability)

**LISTING ON THE GROWTH ENTERPRISE MARKET
OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

NEW ISSUE BY WAY OF PLACING

Number of Placing Shares	:	160,000,000 Shares
Placing Price	:	HK\$0.32 per Placing Share
Nominal value	:	HK\$0.05 each
Stock Code	:	8216

Sponsor and Lead Manager



Oriental Patron Asia Limited

Co-lead Manager

Wintech Securities Limited

Co-Managers

First Shanghai Securities Limited

CM-CCS Securities Limited

First Asia Finance Group Limited

CITIC Capital Markets Limited

- The Placing of 160,000,000 Placing Shares were over-subscribed by approximately 25% and such Placing Shares were conditionally allocated by the Underwriters in full to 162 professional, institutional and individual investors. All placees are independent of and not connected with any of the Directors, chief executive, substantial shareholders or initial management shareholders of the Company, or any of their respective associates.
- 700,000 Shares have been placed to CT Prime Assets Limited representing approximately 0.44% of the total Placing Shares and approximately 0.11% of the shareholding of the Company immediately after completion of the Placing and the Capitalisation Issue. CT Prime Assets Limited is 100% owned by First Shanghai Investments Limited, a fellow subsidiary of First Shanghai Securities Limited which is one of the Co-managers of the Placing.
- Immediately after the completion of the Placing and the Capitalisation Issue and before the exercise of any option granted under the Share Option Scheme, the public float of the Company will be approximately 29.89% of the enlarged issued share capital of the Company.
- **Investors should be aware that there is a high concentration of Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.**
- Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on 20 June 2003.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as defined in the prospectus of Chinasoft International Limited (the “Company”) dated 10 June 2003 (the “Prospectus”).

LEVEL OF INTERESTS

The 160,000,000 Placing Shares were over-subscribed by approximately 25% and such Placing Shares were conditionally allocated by the Underwriters in full to 162 professional, institutional and individual investors. All placees are independent of and not connected with any of the Directors, chief executive, substantial shareholders or initial management shareholders of the Company, or any of their respective associates. 700,000 Shares have been placed to CT Prime Assets Limited representing approximately 0.44% of the total Placing Shares and approximately 0.11% of the shareholding of the Company immediately after completion of the Placing and the Capitalisation Issue. CT Prime Assets Limited is 100% owned by First Shanghai Investments Limited, a fellow subsidiary of First Shanghai Securities Limited which is one of the Co-managers of the Placing. Save for the aforesaid, none of the Placing Shares have been allocated to any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules, or nominees of any of them.

RESULTS OF ALLOCATION

Pursuant to the Placing, 160,000,000 Placing Shares have been conditionally allocated to a total of 162 places, details of which are set out below:

	Aggregate number of Placing Shares	Approximate percentage of the Placing Shares	Approximate percentage of shareholding immediately after completion of the Placing and the Capitalisation Issue
Top placee	20,000,000	12.50%	3.125%
Top 5 placees	79,500,000	49.69%	12.422%
Top 10 placees	127,050,000	79.41%	19.852%
Top 15 placees	142,650,000	89.16%	22.289%
Top 25 placees	148,100,000	92.56%	23.141%

Investors should be aware that there is a high concentration of Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.

The 160,000,000 Placing Shares will be held by a total of 162 places as follows:

Number of Placing Shares	Number of places
10,000 to 50,000	57
50,001 to 100,000	58
100,001 to 500,000	29
500,001 to 1,000,000	4
1,000,001 to 5,000,000	3
5,000,001 to 10,000,000	8
10,000,001 or above	3
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	162
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MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(1) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its issued share capital at the time the Shares commence dealings on GEM and at all times thereafter. Immediately after completion of the Placing and the Capitalisation Issue but before the exercise of

any options granted under the Share Option Scheme, the public float of the Company will be approximately 29.89% of the enlarged issued share capital of the Company.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date, or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second trading day after the date on which the relevant securities transactions are effected on the Stock Exchange. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The share certificates issued for the Placing Shares will be issued in the name of HKSCC Nominees Limited and deposited into CCASS on 18 June 2003 for credit to the respective CCASS participants' stocks accounts or investor participant stock accounts of the Underwriters or the placees. All Placing Shares are expected to be issued on 18 June 2003. If any events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus occur at any time prior to 5:00 p.m. on the business day immediately prior to the Listing Date, the Sponsor (on behalf of the Underwriters) is entitled to terminate the obligations of the Underwriters under the Underwriting Agreement by notice in writing to the Company and should this happen, an announcement will be made accordingly.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on 20 June 2003.

By Order of the Board
Chinasoft International Limited
Dr. Chen Yuhong
Director

Hong Kong, 16 June 2003

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement and a copy of the Prospectus will remain on the GEM website at www.hkgem.com, and in the case of this announcement, on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

** For identification purposes only*